

LOGGED

10 MAY 1985

Routing Slip

TO:	ACTION	COORD	INFO
EO/ICS			<i>See</i>
D/ICS			X
DD/ICS			
EA-D/ICS			
SA-D/ICS	X		
SA-D/ICS-EP			
CIPC			
LL			X
PPS			
PBS	X		
COMIREX			
SIGINT			
HUMINT			
FIPC			
IHC			
SECOM			
CCIS			
SECRETARIAT			
FLC			
AS			
REGISTRY			
DDCI			
SUSPENSE: <i>Neon 13 MAY</i> Date			
REMARKS: <div style="border: 1px solid black; width: 250px; height: 40px; display: inline-block;"></div>			

STAT



CENTRAL INTELLIGENCE AGENCY

Office of Legislative Liaison
Washington, D. C. 20505
Telephone: 351-6121

TO: Admiral Burkhalter

Charles A. Briggs, Director, Office of Legislative Liaison, asked that I forward a draft copy of the Central Intelligence Agency Fiscal Year 1986 Reauthorization Bill.

Please let us know if you have any comment on any provision of this legislation by COB 13 May.

Deputy Chief, Legislation Division
Office of Legislative Liaison

STAT

STAT

FORM 3-79 **1533** OBSOLETE
PREVIOUS EDITIONS.

(40)

IMMEDIATE

Form 160c
3-85

(13)

CENTRAL INTELLIGENCE AGENCY



Office of Legislative Liaison

10 May 1985

NOTE FOR: EXDIR
Comptroller
Counsel/DO
D/OLL
✓C/Legislation/OLL
EA/DDCI

See pages 6-7 for language added by Latimer to appropriations authorization re defense articles exceeding \$1,000,000.

We are now being given the opportunity to comment on the language. HPSCI markup is to be completed Tuesday. To be useful, our comments should be there by noon Monday.



Chief, Liaison Division, OLL

STAT

99TH CONGRESS

H. R. 2419

1ST SESSION

To authorize appropriations for fiscal year 1986 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

May 8, 1985

Mr. Hamilton introduced the following bill, which was referred to the Permanent Select Committee on Intelligence

A BILL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1986".

-2-

TITLE I—INTELLIGENCE ACTIVITIES

Authorization of Appropriations

SEC. 101. Funds are hereby authorized to be appropriated for fiscal year 1986 for the conduct of the intelligence and intelligence-related activities of the following elements (or offices, agencies or subelements thereof) of the United States Government:

- (1) The Central Intelligence Agency.
- (2) The Department of Defense.
- (3) The Defense Intelligence Agency.
- (4) The National Security Agency.
- (5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (6) The Department of State.
- (7) The Department of the Treasury.
- (8) The Department of Energy.
- (9) The Federal Bureau of Investigation.
- (10) The Drug Enforcement Administration.

Classified Schedule of Authorizations

SEC. 102. The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1986, for the conduct of the intelligence and intelligence-related activities of the elements (or offices, agencies or subelements thereof) listed in such section,

-3-

are those specified in the classified Schedule of Authorizations prepared by the Permanent Select Committee on Intelligence to accompany H.R. 2419 of the Ninety-ninth Congress. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

Authorization of Appropriations for Counterterrorism
Activities of the Federal Bureau of Investigation

SEC. 103. In addition to the amounts authorized to be appropriated under section 101(9), there is authorized to be appropriated for fiscal year 1986 the sum of \$15,200,000 for the conduct of the activities of the Federal Bureau of Investigation to counter terrorism in the United States.

Personnel Ceiling Adjustments

SEC. 104. The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers authorized for the fiscal year 1986 under sections 102 and 202 of this Act when he determines that such action is necessary to the performance of important intelligence functions, except that such number may not, for any element (or offices, agencies or subelements thereof) of the Intelligence Community, exceed 2 per centum of the number of civilian personnel authorized under such sections for such element.

-4-

The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

Prohibition on Covert Assistance for
Military Operations in Nicaragua

SEC. 105. During fiscal year 1986, no funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended for the purpose or which would have the effect of supporting, directly or indirectly, military or paramilitary operations in Nicaragua by any nation, group, organization, movement, or individual.

TITLE II—INTELLIGENCE COMMUNITY STAFF

Authorization of Appropriations

SEC. 201. There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1986 the sum of \$21,900,000.

Authorization of Personnel End-Strength

SEC. 202. (a) The Intelligence Community Staff is authorized ~~two~~ two hundred and thirty-three full-time personnel as of September 30, 1986. Such personnel

of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1986, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(c) During fiscal year 1986, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

Intelligence Community Staff Administered in Same Manner as
Central Intelligence Agency

SEC. 203. During fiscal year 1986, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) in the same manner as activities and personnel of the Central Intelligence Agency.

-6-

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT
AND DISABILITY SYSTEM

Authorization of Appropriations

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1985 the sum of \$101,400,000.

TITLE IV—PROVISIONS RELATING TO
INTELLIGENCE AGENCIES

SEC. 401.

(a)—Title V of the National Security Act of 1947 (50 U.S.C. 413), relating to accountability for intelligence activities, is amended by adding at the end thereof the following:

"SEC. 502. NOTICE TO CONGRESS OF CERTAIN EXPENDITURES AND CERTAIN TRANSFERS
OF DEFENSE ARTICLES.

"(a)

"(1)—Funds available to an intelligence agency may be obligated or expended for an intelligence or intelligence-related activity only if—

"(A) those funds were specifically authorized by the Congress for use for such activity; or

-7-

"(B) in the case of funds from the Reserve for Contingencies of the Central Intelligence Agency and consistent with the provisions of Section 501 of this Act concerning any significant anticipated intelligence activity, the Director of Central Intelligence has ~~subject to the provisions of Section 501~~ notified the appropriate congressional committees of the intent to make such funds available for such activity; or

"(C) in the case of funds specifically authorized by the Congress for a different activity—

"(i) the activity to be funded is a higher priority intelligence or intelligence-related activity;

"(ii) the need for funds for such activity is based on unforeseen requirements; and

"(iii) the Director of Central Intelligence or the Secretary of Defense has notified the appropriate congressional committees of the intent to make such funds available for such activity.

"(2)—Funds available to an intelligence agency may not be made available for any intelligence or intelligence-related activity for which funds were denied by the Congress.

"(b)

"(1)—The transfer of a defense article or defense service exceeding \$1,000,000 in value by an intelligence agency to a recipient outside that agency shall be considered a significant anticipated intelligence activity for the purpose of Section 501 of this Act.

"(2)—Paragraph (1) does not apply if—

"(A) the transfer is being made to a department, agency, or other entity of the United States (so long as there will not be a subsequent retransfer of the defense articles or defense services outside the United States Government in conjunction with an intelligence or intelligence-related activity); or

"(B) the transfer—

"(i) is being made pursuant to authorities contained in part II of the Foreign Assistance Act of 1961, the Arms Export Control Act, title 10 of the United States Code (including a law enacted pursuant to section 7307(b)(1) of that title), or the Federal Property and Administrative Services Act of 1949, and

"(ii) is not being made in conjunction with an intelligence or intelligence-related activity.

"(3)—An intelligence agency may not transfer any defense articles or defense services outside the agency in conjunction with any intelligence or intelligence-related activity for which funds were denied by the Congress.

"(c)—As used in this section—

"(1) the term 'intelligence agency' means any department, agency, or other entity of the United States involved in intelligence or intelligence-related activities;

"(2) the term 'appropriate congressional committees' means the intelligence committees and the Committee on Appropriations of each House;

-9-

"(3) the term 'intelligence committees' means the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate;

"(4) the term 'specifically authorized by the Congress' means that—

"(A) the activity and the amount of funds proposed to be used for that activity were identified in a formal budget request to the Congress, but funds shall be deemed to be specifically authorized for that activity only to the extent that the Congress both authorized the funds to be appropriated for that activity and appropriated the funds for that activity; or

"(B) although the funds were not formally requested, the Congress both specifically authorized the appropriation of the funds for the activity and appropriated the funds for the activity;

"(5) the terms 'defense articles' and 'defense services' mean the items on the United States Munitions List pursuant to section 38 of the Arms Export Control Act (22 CFR part 121);

"(6) the term 'transfer' means—

"(A) in the case of defense articles, the transfer of possession of those articles, and

"(B) in the case of defense services, the provision of those services; and

"(7) the term 'value' means—

"(A) in the case of defense articles, the greater of—

"(i) the original acquisition cost to the United States Government, plus the cost of improvements or other modifications made by or on behalf of the Government; or

-10-

"(ii) the replacement cost; and

"(B) in the case of defense services, the full cost to the Government of providing the services.".

(b)—The table of contents at the end of the first section of such Act is amended by inserting the following after the item relating to section 501:

"Sec. 502. Notice to Congress of certain expenditures and certain transfers of defense articles.".

COUNTERINTELLIGENCE VULNERABILITY REPORT

SEC. 402. (a) The Director of Central Intelligence shall review and evaluate the vulnerability of confidential United States government activities abroad, and information concerning such activities, to efforts by foreign powers to detect, monitor or counter such activities, or to acquire such information.

(b) Within 120 days after the date of enactment of this Act, the Director of Central Intelligence shall submit to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate a comprehensive report on the matters described in subsection (a), including plans for improvements which are within his authority to effectuate, and recommendations for improvements which are not within his authority to effectuate.

(c) The report described in subsection (b) of this section shall be exempt from any requirement for publication or disclosure.

-11-

TITLE V—GENERAL PROVISIONS

Restriction on Conduct of Intelligence Activities

SEC. 501. The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

Increases in Employee Benefits Authorized by Law

SEC. 502. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such benefits authorized by law.